

Section 3 Thresholds

- Section 3 Applicable only to Construction Projects
- ***Grant Recipient thresholds*** - The amount of the assistance exceeds \$200,000
- ***Contractor and subcontractor thresholds*** - The amount of the assistance to Grant Recipient exceeds \$200,000; and the contract or subcontract exceeds \$100,000

Section 3 Goals

- 10% of all Construction contracts awarded to Section 3 businesses,
- 3% of all Non-construction contracts awarded to Section 3 businesses,
- 30% of new hires are Section 3 persons

Section 3 Policy

- Prepare Section 3 Plan
- Include in construction contract > \$100K, required contract language
- Include EO Guidelines in bid packets
- Reporting Requirements:
 - Contractor Certificate of Compliance
 - Financial Interest Report
 - Sec 3 Annual Report

A1002-rev

Sample Section 3 Policy

In accordance with 12 U.S.C. 1701u, (Section 3), the (name of Grant Recipient) agrees to implement the following steps, which, to the greatest extent feasible, will provide job training, employment and contracting opportunities for Section 3 residents and Section 3 businesses of the areas in which the program/project is being carried out.

- Introduce and pass a resolution adopting this plan as a policy to strive to attain goals for compliance to Section 3 regulations by increasing opportunities for employment and contracting for Section 3 residents and businesses.
- Assign duties related to implementation of this plan to the designated Equal Rights Officer.
- Notify Section 3 residents and business concerns of potential new employment and contracting opportunities as they are triggered by TxCDBG grant awards through the use of: Public Hearings and related advertisements; public notices; bidding advertisements and bid documents; notification to local business organizations such as the Chamber(s) of Commerce or the Urban League; local advertising media including public signage; project area committees and citizen advisory boards; local HUD offices; regional planning agencies; and all other appropriate referral sources. Include Section 3 clauses in all covered solicitations and contracts.
- Maintain a list of those businesses that have identified themselves as Section 3 businesses for utilization in TxCDBG funded procurements, notify those businesses of pending contractual opportunities, and make this list available for general Grant Recipient procurement needs.
- Maintain a list of those persons who have identified themselves as Section 3 residents and contact those persons when hiring/training opportunities are available through either the Grant Recipient or contractors.
- Require that all Prime contractors and subcontractors with contracts over \$100,000 commit to this plan as part of their contract work. Monitor the contractors' performance with respect to meeting Section 3 requirements and require that they submit reports as may be required by HUD or TDRA to the Grant Recipient.
- Submit reports as required by HUD or TDRA regarding contracting with Section 3 businesses and/or employment as they occur; and submit reports within 20 days of calendar year end which identify and quantify Section 3 businesses and employees.
- Maintain records, including copies of correspondence, memoranda, etc., which document all actions taken to comply with Section 3 regulations.

As officers and representatives of (name of Grant Recipient), we the undersigned have read and fully agree to this plan, and become a party to the full implementation of this program.

Signature _____

Title _____

Date _____

Section 3 Responsibility

If qualifies, the Grant Recipient must:

- ✓ Notify Section 3 Businesses about training & employment opportunities
- ✓ Notify potential contractors of their responsibilities in bid packets
- ✓ Facilitate Section 3 training

Participation by MBE/SBE/WBE

- Take affirmative steps – Small Businesses and Women & Minority Owned
- Utilize State and Federal Resources:
 - Minority Business Development Centers
 - Small Business Administration

Excessive Force

- ◆ Required by 24 CFR 91.325(b)(6)
- ◆ Prohibits use of excessive force against non-violent civil rights demonstrators

Section 504

- ✓ Prohibits discrimination on the basis of disability
- ✓ 15 or more employees
- ✓ Notice
 - Grievance procedures
 - Civil Rights Officer identified
 - Public postings (city/county courthouse AND target area with affidavit) or newspaper/publication

Section 504 (Cont.)

- Self Evaluation
- Use Auxiliary Aids
- Accessible Facilities – for projects >\$50K, coordinate with Texas Department of Licensing and Regulation (TDLR)
- Reasonably accommodate

Affirmatively Further Fair Housing

You + Fair Housing

- One activity per contract term
- Best practice: pass an ordinance/proclamation/resolution and conduct one activity
- List of suggested activities in Manual

A Better Community

Limited English Proficiency (LEP)

Plan

- ✓ Determine need for LEP services
- ✓ American FactFinder
- ✓ If LEP needed, Translate Key Documents

A1010

Limited English Proficiency Plan

Grant Recipient:	
Community Population:	
Population with Limited English Proficiency:	
Languages spoken by more than 5% of population per ACS:	

Program activities to be accessible to LEP persons:

- ☐ Public Notices and hearings regarding applications for grant funding, amendments to project activities, and completion of grant-funded project
- ☐ Publications regarding environmental reviews, civil rights, and other program requirements
- ☐ Other program documents: _____

Resources available to Grant Recipient:

- ☐ Translation services: _____
- ☐ Interpreter services: _____
- ☐ Other resources: _____

Language Assistance to be provided:

- ☐ Translation (oral and/or written) of advertised notices and vital documents for: _____
- ☐ Referrals to community liaisons proficient in the language of LEP persons _____
- ☐ Public meetings conducted in multiple languages: _____
- ☐ Notices to recipients of the availability of LEP services: _____
- ☐ Other services: _____

Signature - Civil Rights Officer or Chief Local Official

Applicable Federal Laws

Equal Opportunity

Civil Rights Act – Title VI & VIII

- Age Discrimination Act
- Section 504 of the Rehabilitation Act
- Section 104 of the HCD Act

Handicapped Accessibility

- Section 504 of the Rehabilitation Act
- Architectural Barriers Act
- ADA (Americans with Disabilities Act)



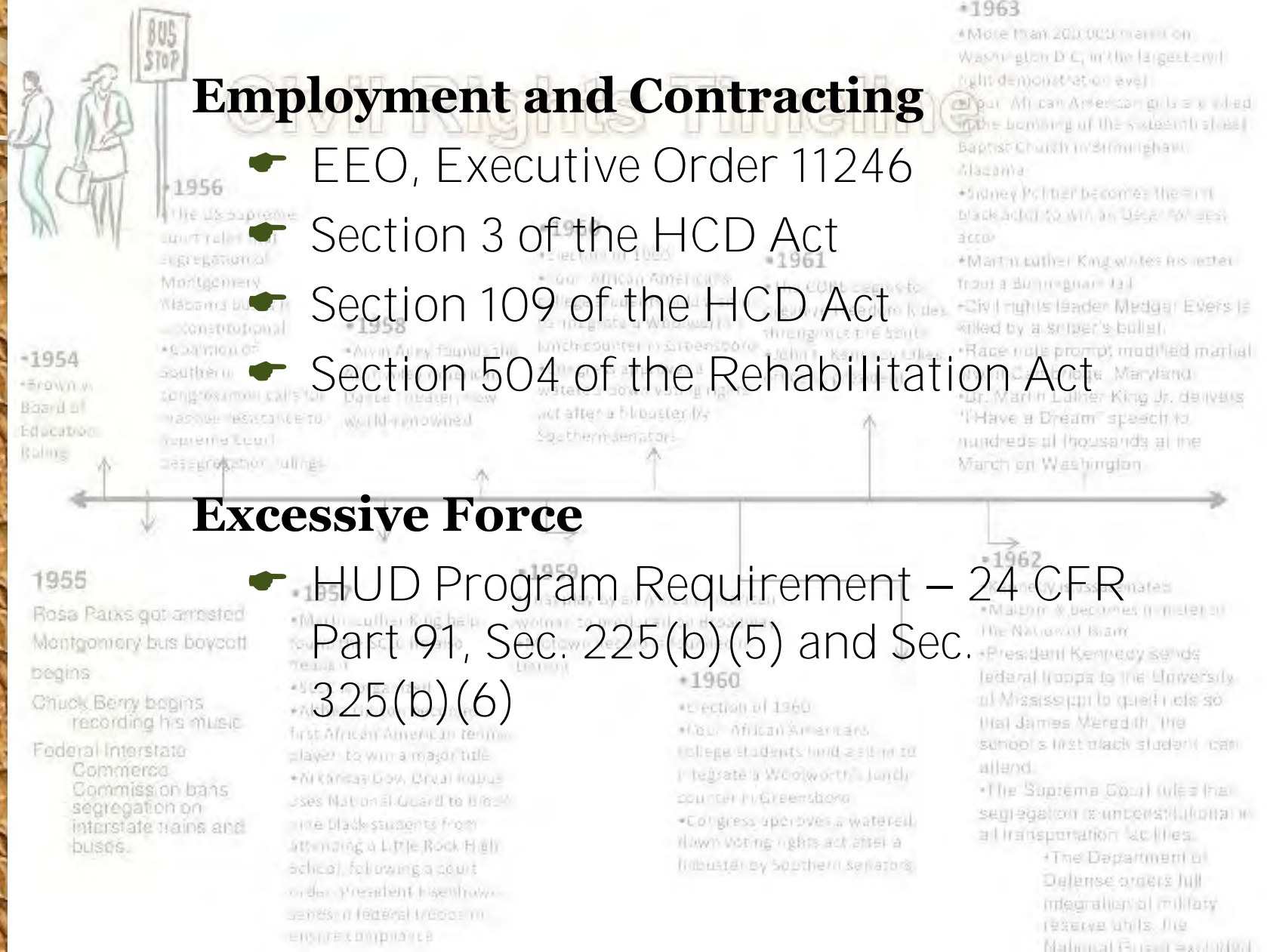
Applicable Federal Laws (Cont.)

Employment and Contracting

- EEO, Executive Order 11246
- Section 3 of the HCD Act
- Section 109 of the HCD Act
- Section 504 of the Rehabilitation Act

Excessive Force

- HUD Program Requirement – 24 CFR Part 91, Sec. 225(b)(5) and Sec. 325(b)(6)



Publications Required

Publications required:

- Complaint/grievance procedures
- If Grant Recipient employs > 15 people, Section 504 grievance procedures
- AFFH

Publication requirements allow either:

- Public posting (**courthouse/city hall AND location of target area supported by affidavit**); or
- Publishing in newspaper/other publication

Discrimination Complaints

- Texas Workforce Commission, Civil Rights Division <http://www.texasworkforce.org>
- Equal Employment Opportunity Commission <http://www.EEOC.gov>
- For housing complaints, Texas Workforce Commission housingcomplaints@Twc.state.tx.us and US Dept. of Housing and Urban Development

What's New!

To simplify, one resolution (A1014) to adopt/reaffirm:

- ☑ Citizen Participation Plan
- ☑ Section 3 Policy
- ☑ Excessive Force Policy
- ☑ [If Grant Recipient employs 15 or more employees], Section 504 Policy and Grievance Procedures; and
- ☑ Fair Housing Policy

What's New! (Cont.)

- ☑ Citizen Participation Plan
- ☑ LEP Plan
- ☑ For each contract, must adopt/reaffirm civil rights policy
- ☑ Publication requirements for Citizen Participation Plan, Sec. 504, and AFFH allow either:
 - > Public postings
(**courthouse/city hall AND location of target area supported by affidavit**); or
 - > Publishing in newspaper/other publication



Questions ?



CHAPTER I I

Contract Amendments

Reasons for Amendments/Modifications

- Additive or deductible alternates in bid
- Project costs in excess of contract funds
- Change Orders
- Necessary engineering design changes
- TCEQ clearance letter differs from Performance Statement Activities
- Acquisition
- Funds available to extend project

Performance Statement Changes

All changes **must** be related the project.

Limits on Performance Statement Change Requests

Any requested changes in the scope of work will be reviewed to determine if the revised project is supported by the original application.

TDA will not approve requests to add a different or new project or activity that was not included in the application, including a new project proposed because the original project has been determined unsuccessful or not feasible.

Performance Statement Changes (Cont.)

TDA may consider approval of a new project if the Grant Recipient is unable to complete the original project due to either:

- 1) a natural disaster event, documented by **presidential or governor's** declaration; or
- 2) a decision by a federal or state agency which prevents the contractor from completing the original project.

If the proposed amendment alters the original application score to the degree that the project would not have been recommended for funding based on that criteria, the amendment request will not be approved.

Performance Statement Levels

There are two levels of Performance Statement changes:

- **Performance Statement Modification**– changes the scale of the original project, including changes that increase beneficiaries in the same target area or decrease beneficiaries up to 25%. Also documents minor changes or corrections to the project description.
- **Performance Statement Amendment requiring Citizen Participation** – changes the scale of the project beyond the original target area, decreases the persons benefiting from the project (greater than 25%).

Documentation Required

The following items are **required for all Performance Statement changes**:

- *Contract Change Request Form* (Form A-1101);
- **Revised Performance Statement, using “track changes” or similar format to indicate all added, deleted, or changed text** (submit electronic copy in Word Format, no balloons);
- Re-evaluation of environmental findings; and
- Revised project maps showing the locations of the original and amended project activities if any change in the project location or target area is proposed.